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Spotlight

ON FOREIGN MARKETING



TO U.S. AGRICULTURAL ATTACHES AND FAS STAFF MEMBERS

NATIONAL AGRICULTURAL TRAINING

AUG 9 - 1963

C & R-ASF

VOL. VII, No. 5

June 25, 1963

COTTON COUNCIL OPENS BRUSSELS OFFICE. Effective June 1, Cotton Council International is consolidating most of its European operations in Brussels. Read P. Dunn, Jr., CCI's Executive Director, is moving his office from Washington to Brussels, where he will also serve as European Director. Raymond Steinbach, Jr., European Director since 1955, is returning to Washington from Paris and will assume responsibility for CCI's Washington activities as Assistant Executive Director. Carl C. Campbell, who has shared CCI's Washington functions with Mr. Dunn, will assume major responsibilities with the Foreign Trade Division of the National Cotton Council, but will continue to assist CCI as Far East Director and temporarily in certain administrative areas.

The Brussels office will consolidate activities formerly handled by the European headquarters in Paris, the Economic Research Center in Rotterdam, and the Promotion and Public Relations Center in Ghent. Regional representatives now stationed in Oslo, Frankfurt, and Rome will remain at the same locations.

WHEAT EVALUATION TEAM SELECTED. A team of four outside specialists have been selected to conduct an independent evaluation of our cooperative market development program. The group comprises:

Mr. Frank Waring (Chairman), retired Foreign Service Officer.

Mr. Kennett Hinks, retired, Senior Vice-President of J. Walter Thompson, Inc.

Mr. Carl Farrington, Vice-President of Archer-Daniels-Midland Co. and former USDA official.

Mr. A. B. "Shang" Sparboe, Vice-President of Pillsbury Flour Mills, Inc.

This group met two days in Washington with FAS and the three wheat cooperators in mid-June. They then launched an intensive program of "homework" before departing for Holland, Belgium, Germany and Great Britain

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about mid-July. They will observe market development operations and interview knowledgeable people in government and the European grain industry in order to appraise the program and make recommendations. Upon returning from Europe a preliminary report will be prepared and preparations made to visit selected countries in the Orient where our wheat market development projects are carried on. A final report is anticipated by the end of December.

SOYBEAN COUNCIL STAFF CONFERENCE. The third International Staff Conference of the Soybean Council of America was held in Rome May 6-11. This was a 6-day-long work session improved techniques for finding and expanding markets for U. S. soybeans and soybean products. Attendance at the Conference included all 16 Soybean Council country directors, the Council's special consultant for the European Common Market, and the staff of the International Operations Office in Rome who made the arrangements for the meeting.

Final day of the SBC staff conference was highlighted by the visit of Dr. Roland R. Renne, Assistant Secretary for International Affairs and Herbert J. Waters, Assistant Administrator for Material Resources, AID/Washington. Dr. Renne commended the Council for creating new markets for U. S. commodities. He spoke of the necessity of improving trading conditions so that even greater quantities of agricultural products can reach all nations of the world.

The conference program also included Draper Daniels, National Export Expansion Coordinator, and several other outside resource people.

COTTON EVALUATION REPORT TO BE SUBMITTED. As this issue of SPOTLIGHT goes to press, the Cotton Marketing Evaluation Committee is completing the preparation of a report on its findings and recommendations to do with the cotton market development program in Europe.

The Committee, consisting of four nationally-known, non-government specialists in the fields of market research, retail merchandising, public relations and cotton technology, studied the Cotton Council International program and observed its operations in selected European countries.

The Committee has reported orally to the FAS Administrator as well as the executive officers of the Cotton Council. Secretary Freeman has indicated that he wishes to meet with them also.

When the report is reproduced copies will be sent to Attaches.

FEED GRAINS COUNCIL OPENS OFFICES IN GERMANY AND SPAIN, The U. S. Feed Grains Council established an office in Hambrug, Germany recently. The Director for Germany is Dr. Egon Schoel. Dr. Schoel holds a PhD degree from the University of Kiel in Animal Nutrition. In addition to four years of experience with the German feed industry, Dr. Schoel spent two years in the United States working in the field of livestock production.

On January 1, 1963, the U. S. Feed Grains Council opened an office in Madrid, Spain. The Director for Spain and Portugal is Mr. Jose J. Rivera. Jose holds a Bachelor of Law Degree from the University of Salamanca and his education includes work done at Santa Barbara Junior College in California and the University of Madrid.

PORTABLE FOOD EXHIBIT PLANNED FOR WESTERN EUROPE IN 1964.

The International Trade Fairs Division working with the Commodity Divisions is developing plans for a portable food exhibit to be used in Western Europe in 1964. Sites have not yet been firmed-up but it is hoped to feature the exhibit at some 5 or 6 European showings.

The exhibit will be so designed as to form a nucleus around which cooperating industry groups can mount promotional displays featuring their respective products. Central feature of this portable exhibit will be a multi-screen movie presentation focusing attention on the desirability of maintaining liberal, international-minded trade in agricultural products among the nations of the Atlantic Community.

The movie will have its first showing as a part of the West European Exhibition in Amsterdam this fall. Because of its portability, prints of the film in different languages may be used at meetings and conferences as well as in exhibits.

POULTRY ACTIVITIES IN JAPAN AND EUROPE. The USDA Trade Center in Japan is planning a poultry exhibit in Japan to be held September 9 through September 20, 1963. The U. S. Poultry Industries International Trade Development Committee is sending invitations to participate to U. S. firms selling various types of poultry products, eggs, egg products, cooked and uncooked poultry items and canned poultry items. Contracts have already been signed with 12 firms for exhibit booths, and no difficulty is expected in filling the allotted 30 booths.

Ed Driggs and Jim Clore of IAPI have been in the U. S. recently consulting with their colleagues and FAS on future plans. One activity announced by Harold Williams, IAPI President, is a group tour by poultry industry people this fall, centered around the U. S. food and agricultural exhibit in Amsterdam.

DANISH AGRICULTURAL SALES OFFICE IN HONG KONG. Two members of Denmark's Agricultural Council and its Agricultural Marketing Board have recently investigated the market in the Far East for expanded exports of Danish agricultural products, especially red meat products and poultry. As a result of this survey, the Marketing Board has decided to establish a sales office in Hong Kong covering Japan, the Philippines and Hong Kong. The activities of the office will be preparation of market analyses and the provision of services and information to foreign importers. Special attention will be given the Japanese market.

JAPANESE STUDY FEED FORMULATION. The U. S. Feed Grains Council has made arrangements with Oklahoma State University to present a short course in feed formulation for a group of forty Japanese. This group is comprised of young technicians representing practically every important feed manufacturing firm in Japan plus Japanese government technicians. Travel expenses are paid by the sponsoring feed industry people in Japan.

The short course began on June 17 to run for two weeks. The course consists of lectures and demonstrations on methods of ration formulation, substitutability of feeds, quality control, laboratory work, cost analysis and methods and equipment used in feed mixing. Discussions were held on the special problems involved in the formulation and mixing of rations for the various classes of cattle, swine and poultry.

HIDES & SKINS DISPLAYED AT LONDON EXHIBIT. The Tanners Council of America, in cooperation with the Livestock and Meat Products Division, FAS, entered into the first of a series of cooperative activities under a market development program with FAS by displaying American leather at the International Leather Exhibit held in London, May 20-25. The theme of the exhibit was "American Leathers - Quality and Value in Volume". The show was strictly international in character as over 50 percent of the visitors were continental users of leather including French, Italian, Germans, Swiss, Belgians, Dutch, Swedes, Norwegians, and Danes. Two years ago the Tanners Council of America had a display at the Ikofa Fair at Hamburg, Germany. Their success in that venture led to the signing of the cooperative agreement.

Irving Glass, Executive Vice-President of the Tanners Council, has reported that since his return to the United States 57 trade inquiries have been referred to his office as a direct result of the exhibit. The next foreign market activity will be the exhibiting of American leather at the Semaine du Cuir Show in Paris to be held in September of this year. This will be the Tanners Council's first appearance at the Paris show, the premier leather exposition of the world.

FIRST "E" AWARD FOR RICE. The first Presidential "E" certificate in connection with rice was awarded Uncle Ben's, Inc., of Houston, Texas, at the 64th Annual Convention of the Rice Millers' Association held in Biloxi, Mississippi, May 22-24. This company is widely known throughout more than 60 foreign countries with whom an export trade is carried on.

The certificate, signed by the Secretaries of Agriculture and Commerce, commends Uncle Ben's, Inc. for "exemplary leadership in merchandising Uncle Ben's converted rice in many and widely distributed countries throughout the world, and for enhancing the international reputation of the American business community by its sustained record of quality exports, by the superior quality of its foreign agents, and by the impact of its intensive local advertising".

FEEDSTUFFS SHOW IN TOKYO FEATURES U. S. FEED GRAINS.

Promotion of U. S. feed grains in Japan received a major boost with the opening of the Department of Agriculture's Feedstuffs Show on May 20 in the U. S. Trade Center, Tokyo.

The show, the first U.S.D.A. sponsored activity in the new Trade Center, was opened in the presence of FAS General Sales Manager Frank M. LeRoux. Japan's Vice-Minister for Agriculture and Forestry Masayoshi Ito and U. S. Ambassador to Japan Edwin O. Reischauer.

Japan's livestock industries showed great interest in the exhibit which attracted large crowds to its twice daily programs centered on lectures by U. S. experts.

A total audience of close to 4,000 people, made up of producer-growers, feed manufacturers and oil crushers, government and private researchers and educators and representatives of national and prefectural associations and cooperatives accepted invitations to attend programs scheduled during the exhibit.

The exhibit featured the use of U. S. corn, grain sorghum, barley and oats, soybean meal, alfalfa meal and animal fats in livestock and poultry rations.

Attracting considerable attention was a display of more than 70 samples of complete U. S. rations. Through these samples Japanese visitors are able to understand the diversity of manufactured feeds produced by U. S. companies to serve specialized purposes.

Three years ago U. S. exports of feed grains to Japan were a little over 250 thousand metric tons; by two years ago they had risen to 750 thousand metric tons, and last fiscal year Japan bought close to 1.2 million metric tons.

Cooperating with FAS in presenting the Feedstuffs Show were the U. S. Feed Grains Council, the American Soybean Association and the National Renderers Association.

Managing this first agricultural show was D. R. Strobel. Ansel S. Wood of the FAS Grain & Feed Division provided technical assistance in preparation of the exhibit and conduct of the seminars.

PORTABLE SOYBEAN EXHIBIT. The new portable display developed by the Soybean Council of America, Inc., in Rome was on display during the Council's international staff conference. It was then moved to Bologna where it constituted the SBC exhibit for the Bologna Fair. A number of these portable exhibits are being built for Soybean Council country offices. The exhibit is made of modulus units, which can be assembled into exhibit structures of varying shapes. It is equipped with a roof to permit outside use. The unit folds up to form its own box, which facilitates transportation. Wall panels carry the exhibit story. A portable kitchen, motion picture projector, and numerous product samples complete the package.

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The units will be used in educational work in soybeans and soybean products at fairs, symposia and conferences. Use of the exhibits is scheduled for the following 1963 events: Cyprus International Fair, Limassol, Cyprus, June 28-July 11; Seventh International Fair, Naxxar, Malta, July 1-15; Sousse Agricultural Fair, Sousse, Tunisia, July 20-August 11; Happy World Trade Exhibition, Singapore, July 26-August 18; Tunis International Fair, Tunisia, in October and November and the Mobile Feed Exhibit in St. Gallen, Switzerland, October 13-25.

Attaches or cooperators interested in more details can contact:

Mr. Frank McWalters, Manager of Educational Activities Division
International Operations Office of the Soybean Council of America, Inc.
Via Parigi 11
Rome, Italy

MARKET DEVELOPMENT HELPS INCREASE JAPANESE WHEAT IMPORTS FROM U. S. Payday for the U. S. wheat grower has been enriched this year as a result of our market development program in Japan. In a year of declining U. S. wheat sales to European, Latin American and African dollar markets, our sales to Japan in the 1962-63 marketing year were up by 15 percent. In terms of bushels, this was an increase of slightly more than 4 1/2 million bushels, the product of nearly 200,000 acres of U. S. farmland.

Western Wheat Associates, Inc., is primarily responsible for developing and supervising the wheat market development activities in Japan. It has developed a wide range of cooperative promotional programs reaching into all segments of the wheat processing industry. Most of these activities are now aimed at increasing per capita consumption of those wheat foods which will result in a direct increase in the demand for U. S. wheat. An example is the promotion of household pre-mixes in which the soft wheat flour is milled from U. S. wheat.

Several of the promotional projects initiated by Western Wheat Associates, have been continued or expanded by the Japanese government, private industry, or industrial associations. Noteworthy is the kitchen bus program which was begun in 1956 with 8 buses. This program is now carried on as a permanent program by the individual prefectural governments to teach nutritional education, including the concept of one wheat product meal a day. A total of 73 kitchen buses now wind their way through villages and towns in every prefecture of Japan, teaching and demonstrating good eating habits which generally include some wheat food.

Closely allied to the success of the kitchen buses is that of school lunch programs. Beginning in 1947 with 4 million children, it has expanded to over 9 million children, 73 percent of whom are in primary school. An important feature of the lunches for many years has been a large roll of bread. For

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many children it is the first introduction to Western type bread. The youngsters soon learn to like it and spread the demand to their homes, resulting in a general increase in bread consumption.

Other highly successful programs include bakers' training schools, noodle makers' training schools, research at the Japan Institute of Baking, promotion of sales of crackers and cookies, public opinion taste preference surveys, economic studies, sandwich promotion, and new product initiation by means of demonstrations at fairs and in large department stores.

In all these activities the actual selling, training, promotion, etc., is carried on by Japanese trade organizations which also pay for 50 percent or more of the total cost. Much of Western Wheat's success has been due to its ability to stimulate the many Japanese trade associations (in some cases helping to get associations formed) into becoming energetic, effective market promotional bodies with a common goal of increasing the market for their products.

MARKET DEVELOPMENT SIGN-UP FOR F. Y. 1964. The last of the scheduled market development agreements involving F. Y. 1963 funds were signed-up prior to the June 30 deadline, but it involved all out "project push" during the last two months which left much to be desired. Plans are being made to start signing-up F. Y. 1964 funds immediately. Please urge co-operators to get their requests in promptly. Late arrivals in F. Y. '64 may find that funds have been exhausted.

FAS RESPONSIBILITIES IN THE FOREIGN FOOD LAW FIELD. The Foreign Agricultural Service is strengthening its activity in the field of the use of insecticides, rodenticides, pesticides and food additives in agricultural products entering in foreign commerce.

The Trade Projects Division has been delegated the responsibility of coordinating FAS programs concerned with foreign food legislation and the trade problems caused by such regulations. Foreign food health laws governing permitted use of chemicals in agricultural products, if too restrictive and not conforming to current permitted practices in the United States, can reduce U. S. export opportunities as much as high import duties, special levies or other import restrictions.

For the past seven years FAS has been seeking to ameliorate the European attitude toward food additives and seeking the adoption of regulations conforming to commercial practices in the United States. Several commodity divisions have been active in this field, as has the Trade Fairs Division. It has been felt that some of these problems could be handled across commodity lines with good results and a special project has been set up for this purpose. Although the Trade Projects Division will provide the coordination of the trips

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and other activities authorized by this and similar projects, the commodity divisions will continue to be responsible for initiating work with the U. S. trade and the agricultural attaches in bringing about solutions to foreign food health legislative problems.

Gerry Sheldon has transferred to Trade Projects Division and will carry the major portion of this work. See FAS Notice No. 423 of May 27, 1963, for further details. If you have any inquiries involving this area of operations, get in touch with Gerry in FAS/Washington.

WORLD FOOD CONGRESS. Attached is "Jerry" Tichenor's report on the World Food Congress. Much of the material will be sent to you under separate cover as soon as it is reproduced.

CHANGES IN ADDRESSES OF GROUPS COOPERATING WITH FAS UNDER P. L. 480. Attached is a list of the changes in address of five Dairy and Poultry representatives in Europe. No other changes or additions have been received to date. These changes modify the listing published as a supplement to Vol. VII, No. 2 of SPOTLIGHT.

Issued by FAS, USDA, Washington 25, D. C. Distributed only to U. S. Agricultural Attaches and in the Department for internal use. Send your contributions to the Editor, "SPOTLIGHT".

CHANGES IN ADDRESSES OF GROUPS COOPERATING WITH FAS UNDER
P. L. 480

<u>Country</u>	<u>Person in Charge and Address</u>
Dairy & Poultry:	
Western Europe	Mr. Edmund H. Driggs, European Director European Office Institute of American Poultry Industries Schillerstrasse 15 Frankfurt am Main, Germany
Germany	Mr. Waldemar Heymert, Country Director Germany Institute of American Poultry Industries Schillerstrasse 15 Frankfurt am Main, Germany
Italy	Mr. H. W. Zirolì, Country Director Italy Institute of American Poultry Industries Via Panisperna 203 Rome, Italy
Benelux	Mr. Leonard van der Velden, Benelux Director Institute of American Poultry Industries Aert van Nesstraat 3 Rotterdam, Holland
Spain - Portugal	Mr. Pedro Rodriguez, Country Director Spain-Portugal Institute of American Poultry Industries Avda. de Jose Antonio 66 Madrid, Spain

WORLD FOOD CONGRESS

On November 8, 1961, at the FAO Conference in Rome, Secretary Freeman invited FAO to hold a 20th Anniversary World Food Congress in Washington. Since that date there was a steady build-up of activity in anticipation of the event. Lyle Webster and Ruth Allen were drafted about a year ago to work full time with State Department and FAO on the arrangements. It was quite an effort and many of the attaches took an active part in one way or another in getting FAO-invited participants off to the meeting which began June 4 and ended on the 18th.

All in all there were 1,332 participants at the Conference from 104 Nations. It opened with an address from President Kennedy and President Radhakrishnan of India, who was visiting in Washington at the time. Secretary Freeman was the Conference chairman. Everybody helped. Mrs. Freeman actively lead a Hospitality Committee that maintained a full time voluntary service to all participants and their families. Many FAS wives and secretaries worked with her on this.

The President set the tone of the meeting when he said, "We have the ability, as members of the human race. We have the means, we have the capacity to eliminate hunger from the face of the earth in our lifetime. We need only the will."

The meeting was unofficial in that the participants were invited by FAO as individuals and not as government representatives and much of the Congress support came from private organizations and foundations, especially the Freedom from Hunger Foundation. Everyone feels that it was a rousing success for not only did world renowned scientists participate but also such international leaders as U Thant, Secretary General of the United Nations, and an imposing array of foreign ministers from developed as well as underdeveloped countries. Many of the speeches have or will be distributed to you for we will be hearing about the ideas and conclusions at this Congress for a long time and undoubtedly it will have a progressive effect on agricultural trade as well as aid policies in the future.

Secretary Freeman in his closing comments at the end of the Congress said, "Here in the United States we intend to take such action' (President Kennedy's opening speech had called for 'positive action'), to evaluate what took place here in the World Food Congress, to review the reports and recommendations, and to consider what might appropriately be done in both public and private sectors to advance more rapidly toward the goal of freedom from hunger. We hope that similar action will be taken all over the world.....Let us therefore accept the challenge and act vigorously to meet that responsibility."

